

CITY OF COLUMBIANA INCOME TAX DEPARTMENT
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IMPORTANT INCOME TAX INFORMATION

Pursuant to the passage of Amended Substitute House Bill 5 in December 2014, new **State mandated** municipal income tax guidelines have been established, **effective with tax returns due for tax years beginning January 1, 2016 and after.**

CHANGES IN THE FILING DUE DATE FOR WITHHOLDING TAX RETURN

Withholding Tax Returns and Payment must be received no later than the 15th of the month following the reporting period.

CHANGES IN PENALTY AND INTEREST RATES

INTEREST will be calculated at the July Federal short term interest rate plus 5.0% .
For 2016 returns, paid in 2016, the interest rate is 5.0% per annum.
(or a monthly interest rate of .42%)

The LATE FILING PENALTY is \$25.00 per month, per return (capped at \$150.00 per return)

The WITHHOLDING TAX-LATE PAYMENT PENALTY is a one time 50% penalty of the unpaid balance at the time the payment is due.

CHANGES IN MONTHLY AND QUARTERLY WITHHOLDING THRESHOLDS

Employers must remit **monthly** if withholding in the previous calendar year exceeded \$2,399.00 or if the amount required to be withheld during any month of the previous calendar quarter exceeded \$200.00.

Employers can remit **quarterly** if their withholdings are under the thresholds described for monthly filers.

WITHHOLDING GUIDELINES FOR EMPLOYERS WITH TRANSIENT WORKERS AND FOR THOSE EMPLOYERS QUALIFIED AS A “SMALL EMPLOYER”

Details are available in Ohio Revised Code Chapter 718. See section 718.011

Chapter 718 of the Ohio Revised Code can be found at: <http://codes.ohio.gov/orc718>.